BEFORE THE TENNESSEE REGULATORY AUTHORITY AT

NASHVILLE, TENNESSEE August 29, 2002

IN RE:	DOCKET NO.
PETITION OF ON-SITE SYSTEMS, INC. TO AMEND ITS) CERTIFICATE OF CONVENIENCE AND NECESSITY)	02-00732
ORDER APPROVING PETITION OF ON-SITE SYS	STEMS, INC. CE AND NECESSITY

This matter came before Directors Director Deborah Taylor Tate, Pat Miller, and Ron Jones of the Tennessee Regulatory Authority (the "Authority"), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on August 5, 2002 to consider the Petition (the "Petition") of On-Site Systems, Inc. ("On-Site") to amend its Certificate of Public Convenience and Necessity ("CCN") to expand its service area to include an area known as Lighthouse Point Condominiums ("Lighthouse Point") in Jefferson County, Tennessee.

Legal Standard for Granting CCN

On-Site's Petition was made pursuant to and was considered in light of the criteria for granting a CCN as set forth in Tenn. Code Ann. § 65-4-201, which provides, in pertinent part:

(a) No public utility shall establish or begin the construction of, or operate any line, plant, or system, or route in or into a municipality or other territory already receiving a like service from another public utility, or establish service therein, without first having obtained from the authority, after written application and hearing, a certificate that the present or future public convenience and necessity require or will require such construction, establishment, and operation, and no person or corporation not at the time a public utility shall commence the construction of any plant, line, system or route to be operated as a public utility, or the operation of which would constitute the same, or the owner or operator thereof, a public utility as defined by law, without having first obtained, in like manner, a similar certificate . . .

Background

On April 4, 1994, On-Site received a CCN in Docket No. 93-09040 from the Tennessee Public Service Commission to provide wastewater service to the Oakwood Subdivision in Maury County. Since that time, through various other dockets, On-Site has been granted approval to expand its service territory to include other areas in Tennessee.

Petition to Amend CCN

On June 25, 2002, On-Site filed its Petition to amend its CCN to expand its service area to include Lighthouse Point. A map showing the area to which On-Site proposes to extend service is attached to its Petition. In its Petition, On-Site states that neither Jefferson County, the Town of Dandridge, nor the Shady Grove Utility District has the desire or ability to provide wastewater service to Airbase Road. With its Petition, On-Site submitted a letter dated April 22, 2002 from Gary W. Holiway, County Executive for Jefferson County, stating that the County does not provide sewer service. In addition, On-Site submitted a letter dated April 16, 2002 from Jane L. Sorey, Town Administrator for the Town of Dandridge, stating that Lighthouse Point cannot be served by the Town at this time. On-site also submitted a letter dated April 8, 2002 from Mike Jones, Manager of the Shady Grove Utility District, stating that the District does not provide sewer service.

On-Site filed a rate schedule with its Petition in this docket which states that residential rates for Airbase Road will be as follows:

Total monthly charge		\$35.11 5% of monthly charge
Non-payment fee		\$10
Disconnection fee	1.5	T
Reconnection fee		\$15
Returned check fee		\$20
Access fee		\$84/year

This rate schedule comports with the rate schedule for On-Site approved by the Authority in Docket No. 99-00393. On-Site also filed commercial rate schedules in this docket which

comport with the rate adjustment for commercial customers approved by the Authority in Docket No. 00-01128.

Upon consideration of the Petition and the entire record, the Authority finds that the present and future public convenience and necessity require the approval of On-Site's Petition. Pursuant to Tenn. Code Ann. § 65-4-201, the Directors of this voting panel voted unanimously to grant On-Site's Petition.

IT IS THEREFORE ORDERED THAT:

- 1. The Petition of On-Site Systems, Inc. to amend its Certificate of Public Convenience and Necessity to expand its service area to include an area known as Lighthouse Point Condominiums in Jefferson County, Tennessee, as shown in the map attached to the Petition, is approved.
- 2. On-Site's rates for wastewater service to Lighthouse Point Condominiums shall be as listed in the rate schedule filed with On-Site's Petition and as set forth in this Order.

Deborah Taylor Tate Directo

Pat Miller, Director

Ron Jones, Director